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FRA 29-99

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U. S. Transportation Secretary Slater Announces Y2K Readiness Assessment of Major Freight Railroads

U.S. Transportation Secretary Rodney E. Slater today announced publication of an independent Y2K readiness assessment of America's four largest freight railroads: Burlington Northern Santa Fe, CSX, Norfolk Southern and Union Pacific.

The independent assessment was undertaken at the request and on behalf of the Department of Transportation's (DOT) Federal Railroad Administration (FRA) and was performed by CACI International, through Anteon Corp., both located in Arlington, VA. The analysis was undertaken to provide the FRA and DOT an independent view of the Y2K preparedness of the nation's four largest railroads whose traffic accounts for over 86 percent of the revenue of the railroad industry.

The assessment concludes that, "the four large railroads are ready for Year 2000," and that "the American public and all organizations who ship their goods over the rails should expect no degradation of service caused by Year 2000 problems." On a 100-point scale used by the contractor, the composite 8-category scores for the railroads ranged from 97.1 to 97.9, falling well within the *very low risk* category.

"This assessment is of great importance as we approach the end of 1999," said Secretary Slater. "The Department of Transportation wants to ensure that all possible actions have been taken by transportation companies to ensure that any Y2K impacts are avoided or minimized."

The assessment was conducted in response to agency concerns following recent railroad mergers. The study was also intended to assist each railroad in achieving Y2K compliance by the end of the year. The assessment contractor confirmed that the four large freight railroads had worked with their shortline railroad partners to assure shortline Y2K readiness for the new year.

Two three-person teams from CACI performed a process-oriented assessment on each railroad for a seven to nine day period covering critical areas such as management and planning, testing and validation, and risk management and contingency planning. The study was conducted from August 29 to October 8, 1999. As of the date of this report, all four railroads are continuing their Y2K program into the new year by concentrating their efforts on end-to-end testing and other activities which will aid in identifying and eliminating any bugs should they appear.

"The safety of railroad operations on January 1, 2000 and every day is the FRA's highest priority," said Federal Railroad Administrator Jolene M. Molitoris. "We will continue to ensure through inspection activities and other means that Y2K issues with implications for railroad safety are eliminated."

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Since July 1998, the FRA has conducted three Y2K preparedness outreach sessions attended by freight and passenger railroads, suppliers, unions, shippers, and other allied organizations to ensure that the safety of America's railroad operations is not adversely affected by any Y2K-related problems.

Copies of the report are available upon request.

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